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PROGRAMME PLANNING

Country and intercountry programmes and projects

FIFTH COUNTRY PROGRAMME FOR THE ISLAMIC REPUBLIC OF IRAN

Programme period	Resources	$
1994-1998	Net IPF	11 264 000
	Estimated cost-sharing	4 000 000
	Total	15 264 000

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I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. The Islamic Republic of Iran is a lower-middle-income country. In 1991, the per capita gross national product (GNP) was estimated at $2,300. Following the substantial devaluation of the rial in March 1993, however, this figure dropped and, although no concrete estimates are available, it would be prudent to assume a per capita income for 1993 of $1,500.

2. The country's economic performance over the last decade was influenced by radical changes following the 1979 revolution and the 1980-1988 war with Iraq. The adverse effects of the eight-year war were exacerbated by disruptions in international relations, rapid population growth, the decline of world oil prices in real terms, a huge influx of refugees and a series of natural disasters.

3. During the war years in particular, the economy was subjected to many administrative interventions resulting in extensive control of prices, distribution systems and external trade. The industrial and agricultural sectors became dominated by public and semi-public sector companies and a growing deficit fuelled inflation. The country emerged from the war facing large reconstruction and developmental expenditure needs, as well as acute financial imbalances and highly distorted domestic markets.

4. The economy is heavily dependent on the export of oil - the prime source of national income. Of the average annual exports of $17 billion (1989-1991), 90 per cent of income derived from the sale of oil alone. After rapidly restoring its oil production and export facilities after the war, the country is now unlikely to be able to expand its income from oil exports any further. It has reached its Organization of Petroleum Exporting Countries (OPEC) production quota and over the medium term world oil prices are expected to remai constant in real terms.

5. Despite the adverse situation, the Islamic Republic of Iran has made impressive progress in expanding education and health services. In 1992 the literacy rate was estimated at 74 per cent, with a large increase in primary education for women, which rose from 35 per cent in 1976 to 52 per cent in 1986. The enrolment of girls in primary schools (74 per cent) is almost as high as that of boys. Approximately 70 per cent of the population has access to primary health care, over 80 per cent of children are immunized and the infant mortality rate has fallen to 37 per 1,000 live births. A major success has been registered in family planning, where the very high population growth rate of 3.2 per cent (1976-1986) was reduced to about 2.3 per cent by 1992. Over 50 per cent of families now have access to birth control through public health services.

B. National development objectives and strategies

6. The Second Five-Year Development Plan of the Government of the Islamic Republic of Iran is still under consideration and has not yet been approved by the parliament. However, the Government will continue to pursue its main policies and strategies of reforming the country's economy by revitalizing market mechanisms, reforming the government sector and moving from the heavy dependence on revenues from oil exports.

7. The main thrust of government policies is expected to correct price distortions and introduce further market reforms, to enhance the role of the private sector and to reduce financial imbalances progressively while consolidating the achievements of the First Five-Year Development Plan and lessening the adverse impacts of those reforms on the poor.

8. Recent economic reforms include the unification of the exchange rate, resulting in a substantial devaluation of the rial, the removal of many non-tariff barriers to imports, the deregularization of many domestic prices, including the dissolution of price enforcement courts, an increase in public utility rates, reform of the income tax system and the abolition of credit ceilings. In an effort to increase the share of private sector activities in the economy, the Government has embarked on a privatization programme that includes both publicly owned industrial companies and traditional State monopolies in the fields of energy, electricity, water, gas, transport and communications.

9. Major policy changes are envisaged in the agriculture sector to reverse the degradation of natural resources, stimulate private sector development and investment and improve the economic return to farmers and benefits to consumers by introducing competition and market prices. In the industrial sector the aim is to diversify production, encourage private domestic and foreign investments and expand exports. The Government is particularly concerned with the consequences of population growth and family health. Family planning will continue to receive high priority over the next few years.

10. Privatization and public expenditure policies necessarily demand major reforms of the public and private management systems. To ensure success the Government is studying reform experiences elsewhere to adopt measures to suit conditions in the Islamic Republic of Iran.

11. The Government is committed to implementing Agenda 21, and important policy changes are expected in controlling air and water pollution, reversing the degradation of agricultural land, controlling desertification and conserving forest and water resources.

II. EXTERNAL COOPERATION

A. Role of external cooperation

12. The Islamic Republic of Iran receives little external grant assistance and most of what it does receive is earmarked for emergency and humanitarian programmes. Bilateral assistance was aimed at emergency aid during the earthquake in Gilan (1990), the large influx of Iraqi refugees following the Persian Gulf war (1991) and the floods in southern Iran (1992). With the exception of two projects in rice production funded by the Government of Japan, no bilateral development programmes are ongoing.

13. Even cooperation provided by the United Nations system is heavily tilted towards humanitarian assistance, mainly to refugees. Of the $35 million spent in 1992 through various United Nations agencies in the Islamic Republic of Iran, approximately 78 per cent was in support of refugees, mainly through the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD). The United Nations system development programmes in the Islamic Republic of Iran are funded by UNDP, the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO) and the International Atomic Energy Agency (IAEA). IFAD and UNDP plan to initiate new project activities in the country.

14. Since 1991 the World Bank has resumed a lending programme and has approved over $350 million in new loans during its 1992/93 fiscal year. From a number of infrastructure projects (earthquake reconstruction, power generation, surface water control), the Bank has moved to agriculture, human resources development and the environment. Cooperation between the Bank and the United Nations development system is very close in many of these areas, in particular in human resources development and the environment.

B. Aid coordination arrangements

15. The Department of International Specialized Agencies of the Ministry of Foreign Affairs is responsible for coordinating external assistance on behalf of the Government. Priorities for UNDP assistance are determined by the Plan and Budget Organization, whereas the Ministry of Health and Medical Education is the focal point for UNICEF, WHO and UNFPA assistance. World Bank assistance is coordinated by the Ministry of Finance. The main focal point for emergency and humanitarian assistance is the Ministry of Interior.

16. The new UNFPA country programme coincides with the proposed UNDP programme of cooperation. In addition to support for maternal and child health and family planning clinics and for the participation of women in development, UNFPA main objectives are to assist in the formulation of a comprehensive population policy and the strengthening of national capabilities in data collection and analysis. These efforts are fully consistent with and complementary to UNDP areas of concentration. UNDP assistance in areas of economic reform and sustainable

development is fully in line with the strategy of the World Bank's loan programme. During the preparation of each UNDP programme and project, care will be taken to maximize impact through close coordination with the Bank's activities.

17. The new UNDP and UNFPA country programmes coincide with the period of the Government's Five-Year Development Plan. As stipulated by General Assembly resolution 47/199 of 22 December 1989, the UNICEF plan of operation will be extended by one year to achieve full harmonization of planning cycles by 1998.

18. Although all future programmes will be implemented through national execution, efforts are being made to invite specialized agencies of the United Nations system, in particular FAO, WHO, UNIDO, the United Nations Conference on Trade and Development (UNCTAD), the International Maritime Organization (IMO) and the United Nations Department for Development Support and Management Services (UNDDSMS) to participate in the formulation and implementation of the new technical cooperation programmes.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

19. The fourth country programme (1989-1993) was formulated at a crucial time. The eight-year war with Iraq had just ended and massive efforts were under way to reconstruct the economy. In conforming with the priorities of the First Five-Year Development Plan, the objectives of the fourth country programme were: (a) economic growth and restructuring; (b) educational, scientific and technological advancement; and (c) reform of the public administrative and management system. A final review of the achievements, carried out in February 1993, came to the following conclusions.

20. Total available programmable resources, including cost-sharing during the last country programme, amounted to $22,455,000. Most UNDP resources were apportioned for the first two objectives and only two approved projects related to administrative reforms.

21. The broad nature of programme objectives had a number of adverse consequences and the project approach implemented a very large number of projects that provided limited technical inputs and had no wider impact. In total, 68 projects were being implemented during the fourth country programme. These were mainly small-scale projects with average UNDP contributions of less than $300,000 covering almost all economic and social sectors. The wide range of project activities allowed for only very few linkages and mutual reinforcement among the various UNDP-supported activities. The scattering of projects made it impossible to arrive at any meaningful assessment of achievements towards overall programme objectives.

22. The preparation and approval of such a large number of projects created a heavy burden on the Government as well as on the UNDP country office and executing agencies' resources and caused many delays in project implementation. Proper monitoring of and support for projects became difficult and, due to the

need to concentrate heavily on the many operational and implementation problems, the larger picture of UNDP assistance was often lost.

23. In spite of the difficulties to assess overall programme achievements, it should be recalled that the large number of projects was necessary in order for many government technical institutions to maintain external contacts at a time when UNDP represented one of the few channels for international assistance.

24. Individual projects were very successful in reaching their respective immediate objectives and the programme was characterized by a high level of absorptive capacity of counterpart institutions. Many projects, each in its separate field of technical competence, were effective in the transfer and application of new knowledge and technologies. The Lar Dam project provided valuable advice on improving the integrated system of water supply, water storage and hydroelectric power generation for Tehran. The Remote Sensing in Agriculture project led to the successful transfer of technologies to improve national planning for increased food production. The Training in Watershed Management project expanded the national manpower required for the prevention of land erosion.

25. With only two exceptions, all projects were managed by national project directors, although the national execution modality was applied only in two cases. A striking feature of many projects was the cost-efficient use of UNDP inputs. In most cases, government budgets exceeded UNDP contributions and, to save foreign exchange allocations, project authorities paid from national budgets all accommodations and internal transport for visiting consultants as well as the airfares for fellowship holders. Approximately 75 per cent of UNDP funds were used to finance purely technical cooperation, e.g., consultants and fellowships.

B. Proposals for UNDP cooperation

1. Preparatory process

26. The preparation of the fifth country programme started with a final review of the fourth country programme (February 1993), in which most United Nations agencies participated. During these discussions with representatives of most of the technical ministries, the framework for future UNDP assistance was outlined. In subsequent meetings with the Ministry of Foreign Affairs, the Plan and Budget Organization, the Institute for Research in Planning and Development and other ministries, these suggested frameworks were further refined and summarized in the UNDP advisory note that was submitted to the Government at the beginning of September 1993. The country programme follows the general lines of this advisory note, and, in addition, includes a comprehensive environmental overview for the Islamic Republic of Iran, which, inter alia, notes the potential environmental impacts of UNDP interventions during the fifth country programme.

27. During 1993 much work was done to prepare a basis for the programme area of sustainable development through a Capacity 21 project: Framework for a Strategy for Environmental Protection and Sustainable Development. Similarly, during 1993 a Global Environment Facility mission visited the country and prepared the

outline for a number of project proposals. A programme for the phasing-out of ozone depleting substances, prepared with the assistance of UNDP, was approved in June 1993 under the Montreal Protocol Interim Fund.

28. In the programme area of economic reform and management development, a number of programme proposals have been outlined by the Plan and Budget Organization and the Institute for Research in Planning and Development.

2. Strategy for UNDP cooperation

29. As grant resources for such middle-income countries as the Islamic Republic of Iran remain very modest, the Government has carefully considered its priorities for external assistance in order to make the best use of available grant funding from UNDP. For this purpose the Government has decided to abandon the project-by-project approach aimed at solving specific technical problems, as practised in the past. Instead, a programme approach will be adopted and UNDP assistance concentrated in only two areas dealing with important policy issues crucial to the Government's economic reform programme and environmental protection.

30. In order to be successful, the country's move from a state-dominated to a market-oriented economy will have to be accompanied by major reforms in the management of its public sector. To be able to implement new policies in support of the reform programme, management capabilities of national institutions must be streamlined, mandates reformulated and human resources strengthened through training and skills development.

31. Equally, the economic reform programme and, more precisely, the policies of freeing market prices and privatizing public assets make it necessary to accompany those efforts with a sound and comprehensive policy of environmental protection. From the very beginning economic reform must be guided and directed to reach a more sustainable development process, as outlined in Agenda 21.

32. For those reasons, the Government determined that UNDP cooperation during the fifth country programme will: reinforce the Government's capacity to move towards a market-oriented economy, through the development of management capabilities; and fortify the national capacity to develop, promote and manage policies and measures for environmental protection and sustainable development.

33. All future cooperation under these two areas of concentration will be contained in 12 programmes. Each programme will have a set of well-defined objectives with clearly assigned responsibilities of a government implementing agency and a national programme coordinator. However, if and when required, a programme may be divided into a number of programme components, which will be implemented by different government institutions.

3. Proposed UNDP cooperation in selected areas of concentration

34. Although the Government's Second Five-Year Development Plan is not yet published, the two areas of concentration identified for future UNDP cooperation, management development for economic reform and environmental protection and sustainable development, are at the centre of the Government's economic reform programme and are designed to provide important policy advice in crucial areas of those reforms.

35. Both areas are closely interrelated and the various programmes proposed are in many instances mutually reinforcing. The programme to strengthen environmental administration is, in fact, also contributing to economic reform and management development, as is the programme to develop a strategy for moving from an oil-based to a non-oil-based economy. In addition, the programme for disaster preparedness and mitigation will have a direct impact on the environment, and vice versa. It will be the responsibility of the Plan and Budget Organization and UNDP to ensure that those linkages are reinforced.

36. In both areas of concentration UNDP will assist the Government to sharpen and define its objectives, within the framework of its Second Five-Year Development Plan, by formulating and implementing a total of 12 programmes, 5 in the area of management development for economic reform and 7 in the area of environmental protection and sustainable development. The proposed programmes are described as follows, by area of concentration.

Management development for economic reform

37. Institutional reform. Currently, the Government employs directly or indirectly 40 per cent of the labour force and provides numerous services that are better rendered through the private sector. Many government institutions carry out similar and overlapping functions. Under the proposed programme, UNDP will assist the Government in developing schemes for rationalizing and reducing the size of the centralized bureaucracy and for transferring responsibilities towards either provincial and local authorities or private entities. The programme will make concrete proposals for alternative models of incentive systems to increase public efficiency and improve human resources development.

38. Oil-independent, sustainable development. The overdependence on oil revenues has long been recognized as a potential source of economic vulnerability. The recent decline in oil prices and revenues had underlined dramatically the need for more oil-independent economic development. UNDP assistance will contribute towards two related areas of government strategy:

(a) National policy advice: A national policy for oil-independent economic development will be formulated and appropriate mechanisms, procedures and regulations for the adaptation of this policy will be developed. UNDP assistance will be sought in certain specific areas of policy advice; and

(b) Non-oil exports: With the overall aim of increasing non-oil exports from Iran, the subprogramme will assist the Government in areas of trade policy analysis, international market information, export marketing and promotion, export financing and trade negotiations.

39. Private sector development. The Government is in the process of carrying out macroeconomic reforms to normalize the role of markets, to increase the efficiency and management of industrial and agricultural enterprises and to encourage private sector investment. For this purpose large parts of government-controlled enterprises will be brought into private ownership. UNDP will assist the Government in the preparation of comprehensive studies in a number of areas of the regulatory mechanisms needed to promote private sector economic activities. These will include reviews of the rules and regulations governing taxes and fiscal incentives, investment licensing, business and property rights, banking laws and laws and regulations for foreign investments.

40. National expertise. Under the new country programme, UNDP will support a number of initiatives that will increase the use of Iranian experts in projects financed by UNDP and other international funding and technical institutions through the Transfer of Knowledge through Expatriate Nationals (TOKTEN), a data bank of national expertise and the promotion of national non-governmental organizations (NGOs). The Islamic Republic of Iran has a very large and highly qualified expatriate community, and since 1991 UNDP has operated the largest TOKTEN project world wide in support of Iranian universities and research institutions. Given its very positive results, this project will be extended to other sectors in future. Similarly, UNDP will assist in establishing a data bank for national expertise and help in drafting the necessary administrative and regulatory framework for establishing and promoting national NGOs, in particular in the field of environment and social services. The results of this programme will have direct impact on all other UNDP-financed and nationally executed programmes.

41. Disaster preparedness and mitigation. The Islamic Republic of Iran is extremely prone to such disasters as earthquakes and floods and also to the sudden influx of refugees, often imposing a heavy toll on development efforts. The Government's immediate disaster response system is elaborate and effective. However, longer-term mitigation and preparedness, as well as linkages with development issues, are in need of improvement. UNDP assistance will be sought to improve the national coordination mechanism; to sensitize planners and the general public to the needed interaction between development and disasters; and to improve contingency planning and operational response mechanisms in the case of industrial hazards, floods and earthquakes.

Environmental protection and sustainable development

42. Institutional development for the environment. In the 1970s the Government created the Department of the Environment (DOE). As a result of the 1992 United Nations Conference on Environment and Development and the Government's new economic reform programme, DOE will nave to fulfil new and extended responsibilities. To meet these new challenges, DOE needs to be restructured and its human resources strengthened. Under this programme UNDP will assist in reviewing, strengthening and streamlining the mandates, responsibilities, structures and human resources of the environment administration. An outline for a restructured and revitalized DOE will be prepared and training needs established. It is hoped that needed funding identified under this project will be obtained from the World Bank.

43. Public health and urban environment. Since the early 1980s, a very significant part of the rural population has migrated to the major cities. This has made it increasingly difficult to provide necessary social services and places a heavy burden on the urban environment. In 1992 the Ministry of Health, under the auspices of an inter-ministerial council, launched a new community-based programme for the creation of "health cities". Under this programme women volunteers promote and advocate essential health and environmental urban issues. A successful pilot project has been implemented in parts of southern Tehran, and the Second Five-Year Development Plan will extend this model to all other major cities of the country. UNDP assistance is sought to study international technical experiences in this field, to draw up training programmes for women volunteers and to establish community-based training centres. Close cooperation with UNFPA will be instituted in this field.

44. Protection and management of water and soil resources. The country is arid and water resources are not utilized efficiently. Modern water management systems cater essentially to the needs of the increasing urban population. Considerable water is lost in poorly designed irrigation channels or is wasted due to inadequate farming methods. Pollution of underground and surface water is also reaching alarming dimensions. Soil erosion is equally serious. Each year millions of tonnes of topsoil are lost, aggravating social and economic problems. Soil sediments accumulated in dams and reservoirs reduce availability of water for energy production and for urban and agricultural uses. Erosion is also believed to contribute substantively to repeated flooding, which takes a heavy toll on development activities. The proposed programme intends to build upon and continue the work that UNDP started in this field in the third and fourth country programmes. Target areas will include technical cooperation in inventory of resources; design and implementation of basin-wide water and soil management plans; and training and extension services for the introduction of resource-efficient farming techniques.

45. Protection and management of international waters. The Islamic Republic of Iran has long and important coastlines: 1,800 kilometres on the Persian Gulf and the Sea of Oman in the south and 900 kilometres on the Caspian Sea in the north of the country. These international waters are seriously threatened by land-based and marine pollution, the deterioration of watersheds and river pollution, the discharge of industrial waste and urban sewage and the dumping of oil residues. In addition, two wars have taken their toll on the environment of the Persian Gulf. UNDP assistance is requested to conduct a number of technical reviews of aspects of the marine and coastal environment and the preparation and adoption of integrated coastal and marine management plans. The Government, in cooperation with UNDP, places a high priority on regional cooperation to protect international waters, as compared to purely national activities.

46. Protection and management of biodiversity. The country has at least five major zones, each with a variety of plants, species and ecosystems, some of which are unique in the world. The Caspian Sea and Arasbaranien forests, the Urumieh Lake, the Anzali Lagoon and the mangrove forest on the Persian Gulf are all home to rare plants and species. This diversity, a substantive global asset, is threatened and endangered by a number of factors, including overutilization of resources, uncontrolled industrial and urban pollution, rapid deforestation and desertification. Under this programme, assistance will be

provided to prepare management plans for national parks and protected areas, to undertake a national inventory of generic plant resources and to carry out a national biodiversity survey.

47. Phasing-out of ozone depleting substances. The Islamic Republic of Iran is a signatory to the Vienna Convention and the Montreal Protocol. In order to phase out ozone depleting substances (ODS), a programme was formulated with the assistance of UNDP and approved by the Board of the Montreal Protocol Multilateral Fund. Under this programme an Ozone Monitoring Centre at DOE will be established with the technical and managerial capacity to monitor the phasing-out of ODS. The programme will include direct intervention to replace the use of chloroflourocarbons in the production of foam and in refrigerators by ozone-friendly gases. This programme will be implemented jointly through UNDP, UNIDO and the Office for Project Services.

48. Energy efficiency and alternative energy resources. The country emits 46 per cent more carbon dioxide per unit of GNP output than the world average. Price distortions are not conducive to the adoption of energy efficiency in the Iranian economy. By focusing primarily on energy production and little on the use of energy, energy consumption is highly inefficient and, as a result, there is great opportunity for energy savings. In line with the national energy plan, UNDP will provide support to the development of a comprehensive energy efficiency strategy, focusing on energy conversion, transmission and consumption. In this context, UNDP assistance will be sought to establish an Energy Conservation Unit to manage a central database on energy efficiency performance, to undertake analysis aimed at improving energy management and to carry out training programmes in energy efficiency.

49. The objectives of the two areas of concentration are mutually supportive and many linkages can be established among the 12 programmes. These linkages will be established and monitored carefully during programme preparation and implementation.

50. Major linkages will also be formed with programmes of other multilateral agencies working in the Islamic Republic of Iran. In most areas, linkages already exist with World Bank activities, in particular in environment and sustainable development programmes. The new country programme is fully complementary to the new UNFPA and UNICEF programmes. Direct linkages exist mainly in the programme for health and environment and support to national NGOs and women in development projects. FAO cooperation will be sought in programmes dealing with soil and water conservation as well as with the protection of biodiversity. UNDP will collaborate with WHO in a programme on health and urban environment. UNIDO and UNDP will work closely to implement the programme to phase out ODS.

C. Assistance outside the selected areas of concentration

51. The fifth country programme will inherit a number of individual projects from the previous cycle, most of which are consistent with the objectives of UNDP interventions in the two chosen areas of concentration. Following the

decision made during the final programme review of the fourth country programme, those projects will be completed.

Project preparation facility

52. A project not directly related to the two areas of concentration will provide the Government with funding for the preparation of investment projects seeking external financing, in particular from the World Bank. After an initial allocation from UNDP, the project will be replenished from approved loans under a government cost-sharing mechanism. At the initial stage this mechanism will be used primarily for projects financed by the World Bank but could be extended to other investment banks at a later date.

D. Implementation and management arrangements

53. For all future UNDP cooperation, the programme approach will apply and most new technical cooperation activities will be nationally executed. This will allow each government implementing agency maximum flexibility in drawing technical cooperation from a wide range of sources: national experts, expatriate Iranian specialists (through TOKTEN), private sector experts (through United Nations Short-Term Advisory Resources (UNISTAR)), United Nations specialized agencies, NGOs and international research and development institutions.

54. The programme approach will strengthen the teamwork among government institutions. For each programme, one main counterpart institution and a programme coordinator will be assigned. It is nevertheless foreseen that, if required, programme components will be implemented through different departments or institutions.

55. Overall monitoring of the various programmes will be the joint responsibility of the Ministry of Foreign Affairs, the Plan and Budget Organization and UNDP. In order to monitor effectively the more complex and larger programmes under the new modality of national execution, a fixed schedule of programme review meetings will be set at the time of approval of any of the new programmes. During the review meetings an assessment of the qualitative progress of the project will be made on the basis of which a decision regarding payments of further instalments for future activities will be made.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

	(Thousands of dollars)	
Carry-over from fourth cycle IPF (1987-1991)	2 616	
Fifth cycle IPF (1992-1996)	9 455	
Estimated 1992-1993 expenditure	(4 589)	
Six cycle IPF (1997-1998)	3 782	
Subtotal IPF		11 264
Project cost-sharing (Government)	4 000	
Project cost-sharing (third party)	-	
Programme cost-sharing	-	
Subtotal cost-sharing		4 000
TOTAL		15 264

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

	Thousands of dollars			Percentage of total resources
Area of concentration	IPF	Cost-sharing	Total	
Ongoing projects from fourth cycle	2 800	1 200	4 000	26.2
Economic reform and management development	2 550	1 900	4 450	29.2
Environment protection and sustainable development	2 350	900	3 250	21.3
Subtotal	7 700	4 000	11 700	76.7
Unprogrammed reserve	3 564		3 564	23.3
TOTAL	11 264	4 000	15 264	100.0

III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES USED IN AREAS OF CONCENTRATION

(Thousands of dollars)

A. UNDP-administered funds		
SPR	850	
Global Environment Facility	6 000	
Montreal Protocol	5 000	
Subtotal		11 850
B. Other United Nations resources		
JCGP participating agencies		
UNFPA	10 000 a/	
UNICEF	6 000 b/	
		16 000
Other United Nations agencies (non-UNDP financed)		
Development:		
UNIDO (SIS/TS)	-	
WHO (1994-1995)	3 000 c/	
FAO (TCP/UTF)	-	
Humanitarian:		
UNHCR (1994)	28 200 d/	
WFP (1994)	14 500 e/	

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a/ UNFPA and UNDP country programmes coincide.

b/ UNICEF plan of operation and financial allocations cover 1993-1997.

c/ WHO has a biennium programme for 1994-1995.

d/ UNHCR has a large humanitarian emergency programme in support of Afghan and Iraqi refugees (1994 contribution equivalent $28.2 million).

e/ WFP has no development activities in Iran; however, it has a large humanitarian emergency programme in support of Afghan and Iraqi refugees (1994 contribution equivalent $14.5 million).

Annex II

PROGRAMME MATRIX

Area of concentration	Area of focus a/					
	Poverty eradication and grass-roots participation in development	Environment and natural resource management	Management development	TCDC	Transfer and adaptation of technology	WID
I. ECONOMIC REFORM AND MANAGEMENT DEVELOPMENT						
Institutional reform		*	*			*
Oil independent development		*	*		*	
Private sector development		*	*	*		
National experts			*		*	*
Disaster mitigation	*	*	*	*		
II. ENVIRONMENT PROTECTION AND SUSTAINABLE DEVELOPMENT						
Environment institut.		*	*			
Health and environment	*	*	*			*
Natural resources	*	*	*			*
International waters		*	*			
Biodiversity		*	*	*		
Ozone protection		*	*		*	
Energy efficiency		*	*		*	

a/ Asterisks indicate major linkage only.